

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF CREDIT UNIONS

NEWSLETTER

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CREDIT UNION COMMISSION HOLDS FIRST MEETING

The Credit Union Commission held their first meeting April 16th in the Division of Credit Unions' conference room. Commission members elected Pat Yokley, Chairman, Lori Levine, Secretary and designated Maribeth Neidert, as their Custodian of Records.

The Commission received the Division of Credit Unions' recommendations for rules and regulations addressing the following:

- the Commission's organization and rules of procedure,
- definitions for credit union membership and chartering,
- criteria for additional membership groups, and
- economic advisability for the formation of new credit unions.

After extensive discussion, the Commission requested additional review by and information from the Missouri Attorney General's office regarding the proposed rules of procedure.

The next Commission meeting is scheduled for May 19th from 11:00 a.m. to 3:00 p.m. at the Runge Nature Center, Jefferson City. Meetings are open to the public.

MISSOURI CREDIT UNIONS

From time to time it is informative to compare the performance of Missouri chartered credit unions to the performance of all credit unions in the United States. Missouri credit unions compare favorably to other credit unions in

meeting their members' needs. The following statistics are indicative of the overall condition of credit unions. Statistics are as of 12/31/98.

	Missouri	All Credit Union's	Difference
Capital/Assets	11.3%	11.5%	(0.2%)
Cost of Funds/Av. Assets	3.8%	3.6%	0.2%
Return on Av. Assets	0.8%	0.9%	(0.1 %)
Market Growth	15.1%	10.7%	4.4%
Capital Growth	12.8%	8.8%	4.0%
Loan Growth	12.4%	5.8%	6.6%
Operating Expense/Av. Assets	3.8%	3.3%	0.5%
Delinquent Loans/Total Loans	1.0%	0.9%	0.1%
Asset Growth	14.9%	10.7%	4.2%

PROPOSED LEGISLATION UPDATE

As we reported in the last newsletter, the Division of Credit Unions is particularly interested in three bills before the Missouri Legislature.

- House Bill 14 provides supplemental spending authority for implementing last year's House Bill 1323; in particular to fund the Credit Union Commission's expense.

Governor Carnahan signed this bill into law on April 7th.

- The House and Senate have approved House Bill 7, which provides funding for next fiscal year's budget, with differences. The section of this bill concerning the budget of the Division of Credit Unions is the same in both versions. This bill is in a Senate and House conference committee.
- House Bill 825, which modifies the Division's fee structure, was amended into House Bill 822 on the House floor, and approved on April 7th. The Senate Financial and Governmental Operations Committee heard the bill on April 20th.

Please contact the Division of Credit Unions if additional information is required.

ACCREDITATION RENEWED

The Missouri Division of Credit Unions has been notified that its annual accredited status has been renewed for the eighth consecutive time. Originally receiving the designation in 1990, Missouri was the fifth state in the nation to be so recognized. The accreditation program, administered by the National Association of State Credit Union Supervisors (NASCUS), consists of an on-site review every five years and annual off-site reviews. The purpose of the program is to acknowledge those supervisory agencies that meet a stringent set of criteria in the areas of Administration/Finance, Personnel, Training, Examination, Supervision, and Legislation. Currently 21 states have achieved accreditation. This represents 60% of state-chartered credit unions' assets.

We are honored to be an accredited agency and Missouri chartered credit unions should also be honored as your support has helped make this possible. For further information, please visit the NASCUS web site at www.nascus.org.

E-MAIL ADDRESSES

Distribution of the Division of Credit Unions Newsletter by e-mail would save postage and paper. Please notify the Division if you would like to receive the Newsletter by e-mail by sending your e-mail address to our e-mail address cu@mail.state.mo.us.

John P. Smith, Director
